WALL STREET JOURNAL
17 October 1985

ARTICLE APPEARED ON PAGE 28

KGB Defector Confirms U.S. Intelligence Fiasco

By William Kucewicz

The KGB took the unusual step last month of issuing what can only be called a press release. In a statement distributed by the official TASS news agency, the Soviet intelligence agency accused a Soviet citizen of spying for the U.S. and also announced the expulsion of a U.S. Embassy official.

The KGB named the suspected spy as A.G. Tolkachev. He was identified merely as a staff member of a "Moscow research institute." No other details about his background were provided. His arrest apparently took place sometime in early June. The announcement maintained that Mr. Tolkachev had been caught passing information to an American diplomat, Paul M. Stombaugh, of the U.S. Embassy's political section. Mr. Stombaugh was ordered to leave the Soviet Union June 14. The KGB statement gave no explanation for the three-month delay in announcing Mr. Tolkachev's arrest and Mr. Stombaugh's expulsion.

Western news correspondents in Moscow interpreted the belated announcement as one-upmanship by Soviet authorities. A week earlier, Britain had expelled 31 Soviets for spying and the Soviet Union responded in kind by ousting an equal number of Britons in Moscow. This exchange had been triggered by the defection of a Soviet spy in London, who had apparently worked as a double agent for the British for years. The Tolkachev announcement was seen as just another spy maneuver.

Valuable Human Asset

That wasn't the real story, however. According to high-level U.S. intelligence sources, Mr. Tolkachev was one of the Central Intelligence Agency's most valuable human assets in the Soviet Union. And his exposure and arrest stand as indictments of gross mismanagement and ineptitude reaching to the highest levels of U.S. counterintelligence operations.

Mr. Tolkachev was an electronics expert at a military aviation institute in Moscow. Over several years, he had passed invaluable information to the U.S. about the Soviet Union's latest research efforts in new aircraft technology—especially avionics, or electronic guidance and countermeasures; advanced radar; and so-called "stealth," or radar-avoidance, techniques. Such research is at the cutting edge of military aircraft breakthroughs, both for the Soviets and the U.S. Mr. Tolkachev, one source hinted, may have also tipped the U.S. off to the large phased-array radar at Krasnoyarsk—a treaty-violating facility in the south-central part of the country aimed at completing a nationwide anti-ballistic-missile defense.

"He was one of our most lucrative agents," said another well-placed source. "He saved us billions of dollars in development costs" by telling the U.S. about the direction of Soviet aviation efforts. In that way, American researchers could more precisely target their own work toward countering future Russian military threats.

U.S. intelligence experts believe that Mr. Tolkachev is fated for execution, if he is not already dead. But how was he discovered? And why did the KGB wait three months before announcing his arrest?

Mr. Tolkachev wasn't merely caught in the act of passing secrets to the U.S. Embassy's Mr. Stombaugh, as the KGB claims. In fact, as U.S. intelligence sources tell it, he was betrayed by a former CIA agent, Edward L. Howard. And the KGB's peculiar September announcement was apparently a ruse to try to put U.S. counterintelligence officers off the scent of this turncoat.

Edward Howard, an untried and untested trainee suspected earlier of drug use, was, inexcusably, told about critical U.S. human intelligence operations in Moscow.

Mr. Howard, who is now 33, joined the CIA in January 1981. An initial polygraph test indicated that he was an occasional drug user. Agency officials told him to end his drug-taking or face dismissal. He then promised to give up drugs.

Shortly thereafter, he entered an intensive, 2½-year training program to become a "deep cover" case officer in the U.S. Embassy in Moscow. One of his assignments would be to "run" Mr. Tolkachev; in other words, he was to collect Mr. Tolkachev's materials at "dead drop" sites in Moscow and to care for his needs. In the course of his training, this untried and untested trainee was, inexcusably, told about critical U.S. human intelligence operations in Moscow; he was even informed about anti-Soviet operations in the U.S. Mr. Howard was also trained for several months by the Federal Bureau of Investigation in surveillance techniques and evasion.

Before being dispatched to Moscow, Mr. Howard was given another polygraph test, which suggested that his drug use had continued and also indicated at least one instance of petty theft outside the government. According to sources who have long been critical of shortcomings in U.S. counterintelligence capability, Deputy Director of Central Intelligence John N. McMahon at this point decided he wanted Mr. Howard out of the agency. Mr. McMahon, a career intelligence officer for more than 30 years, had been the CIA's executive director, responsible for the day-to-day management of the agency, when Mr. Howard was fired. In April 1982, Mr. McMahon was named by President Reagan to replace Adm. Bobby R. Inman as deputy intelligence director.

In spring 1983, Mr. Howard was told to resign or he'd be fired. Mr. McMahon took this step despite Mr. Howard's privileged knowledge of U.S. intelligence operations in Moscow, and what his continued drug use said about his emotional stability. (Later, in February 1984, Mr. Howard was arrested for brandishing a pistol at three men in downtown Santa Fe, N.M.; in a plea bargain, he pleaded guilty to an assault charge and was sentenced to probation.) Instead of firing him, intelligence experts suggest, a more sensible course might have been to cancel Mr. Howard's transfer to Moscow but retain him in a nonsensitive area of the agency where his actions could be closely monitored.

(Mr. McMahon didn't return a phone call yesterday requesting comment.)

In September 1984, Mr. Howard told two of his former colleagues at the CIA that he was thinking of passing his information to the Soviets as an act of revenge, according to documents filed in a Justice Department criminal complaint against him. These agents then told the proper CIA authorities about Mr. Howard's threat. But the agency's only response was to get a psychiatrist for Mr. Howard in New Mexico, where the CIA had helped him find a job as an economic analyst with the state government back in June 1983.

Meanwhile, a momentous event was occurring a continent away that would darken further the profile of Edward Howard. On July 28 of this year, in Rome, a visiting Soviet official was taking a stroll with some colleagues. He told them that he would meet them back at the embassy after he toured the Vatican museum. His Soviet compatriots never saw him again, and a month later he was in the U.S. being debriefed by the CIA. The Soviet official is Vitaly Yurchenko of the KGB. By many accounts, he is one of the most important Soviet defectors in recent history.

The State Department officially announced Mr. Yurchenko's defection last week. He was deputy chief of the North American department of the KGB's First Chief Directorate, which is in charge of the Soviet Union's world-wide spy operations. He was "specifically responsible for the direction of KGB intelligence operations in the U.S. and Canada," the State Depart-

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ment's announcement said. In addition, he held a senior position in the KGB's counterintelligence program, which aims to root out any Russian moles working for the U.S. or other foreign governments. Previously, Mr. Yurchenko served as a spy in the Soviet Embassy in Washington from 1975 to 1980. As a result of these positions, Mr. Yurchenko was able to gain a broad understanding of the highly compartmentalized operations of the KGB.

Mr. Yurchenko gave his debriefers a code name for a former CIA agent who had supplied valuable information to the KGB. While he did not have the real name of the agent, Mr. Yurchenko did provide enough information for U.S. authorities to "sift through" the relevant data and finally pinpoint Mr. Howard as the suspected spy, said law-enforcement sources, who asked not to be identified. According to other sources familar with the debriefing, Mr. Yurchenko said that this former CIA agent had provided the KGB with details about U.S. human intelligence activities in Moscow, including the identity of A.G. Tolkachev. Mr. Howard's revelations, therefore, prompted Mr. Tolkachev's arrest and likely execution.

Major Foul-Up

FBI agents were instructed to interview Mr. Howard but not to arrest him. Explained a law-enforcement source: "The information provided by the defector, standing alone, was not sufficient to establish probable cause." After he was quizzed, FBI agents kept Mr. Howard under surveillance. In a major foul-up, however, no one ever told the FBI agents that Mr. Howard had been schooled by the bureau itself in surveillance and evasion tactics.

On the moonless night of Sept. 21, Mr. Howard escaped his FBI watchdogs. On Sept. 23, the FBI issued a warrant for his arrest, but it was too late. U.S. intelligence finally succeeded in tracing Mr. Howard's trail to Finland and then to Moscow, where he is now presumably being debriefed on all he knows about U.S. spying operations in the Soviet Union and elsewhere.

"The United States has virtually zero counterintelligence capability," Sen. Malcolm Wallop (R., Wyo.) said recently in criticizing the CIA's and FBI's failures in the Howard case. Some experts are predicting a major shakeup in intelligence management due to the Howard-Tolkachev-Yurchenko affair. What will remain after blame is assessed, of course, is that the U.S. has lost one of its most valuable human assets in the Soviet Union and his alleged betrayer has fled safely to Moscow.

Mr. Kucewicz is a member of the Journal's editorial board.